

**CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL**

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F. e - Guatemala

2 September 1963

2003

The Communist Situation in Guatemala

The Guatemalan Labor Party is the only Communist party outside the Soviet Orbit with formal membership in a government coalition. The Communists dominate the powerful labor movement, are influential in Congress, and hold important government positions including posts in the official press and radio agencies. Communist leaders are among President Arbenz' close advisers. Since the enactment of the Agrarian Reform Law in June 1952, the Communists have penetrated the local agrarian committees which are now virtual political machines through which they hope to mobilize the mass support they have heretofore been lacking.

Government policy has been increasingly subject to Communist influence. Anti-Communists are considered enemies of the state and their organizations have virtually disintegrated under government pressure. When, in February, the Supreme Court questioned the constitutionality of certain of the Agrarian Reform Law's provisions, the judges at Communist urging were immediately replaced by more compliant men. Private United States business interests in

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Guatemala are subject to increasing and systematic pressure which may eventually force them from the country.

The influence of the Communists in Guatemala is based on militant advocacy of the social reforms and nationalistic policies identified with the Guatemalan Revolution of 1944. Their real strength, however, comes from the sympathetic attitude of President Arbenz, who still has the power to check or break the Communist organization. He, however, apparently finding the Communist leaders cooperative and capable, evidently believes he is successfully using them to further his own nationalistic program. As long as they have the support of a tolerant administration, the Communists will continue to increase their strength.

*is himself
an
ardent
left-winger
(not necessarily
socialist)
but in
close contact*

The army is the only organized element in Guatemala capable of rapidly and decisively altering the political situation. Though both the army and the police are free from Communist infiltration, there is no reason to doubt their continued loyalty to the Arbenz administration which has given them unprecedented benefits.

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Guatemala is also the center of Communist subversive efforts against the other Central American countries. Exiles, many of them Communists or sympathizers,

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in Guatemala where they frequently hold government jobs and receive aid from local Communists while maintaining contact with revolutionary groups in their home territories. The Communists, however, have met with little success in their efforts to promote the establishment of governments sympathetic to their aims in the other Central American republics.

The [stable] governments of El Salvador and Nicaragua are ^{strongly} anti-Communist, recognize that the trend in Guatemala threatens them with Communist subversion and social upheaval, and may attempt through the Organization of Central American States to set up machinery for controlling the movements of Communists and exchanging intelligence about their activities. These countries were reportedly ready last spring to give active support to any revolutionary movement in Guatemala which appeared to be succeeding.

? In Costa Rica, President-elect Figueres, who will take office in November, is a strong anti-Communist, but his radical economic theories frighten conservative interests. Furthermore, the mutual enmity between Figueres and neighboring governments is likely to impede cooperation between the anti-Communist Central American Republics.

(Figueres might even send aid to (not Cont) of

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Honduras, already in political ferment over next year's presidential election, is at present the most vulnerable to Communist subversion. Honduran oppositionists are probably receiving aid from the Guatemalan government and from Guatemalan Communists. The threatened split in the Nationalist Party, which has ruled Honduras for the past 20 years, would increase the relative strength of the Communist-infiltrated Liberal Party.

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12 Sept. '53

Underlined parts of attached Intelligence Summary, according to instructions received from Mr. Wisner 11 Sept., are to be included in next draft of plan.

JCK.